

NCA
VOC FOR IOP/FN
BACKGROUNDER NO. 5-5500
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CHINA IN THE YEAR OF THE SNAKE

ANNCR:

AS THE LUNAR CALENDAR BRINGS A NEW YEAR TO CHINA EXPERTS ON THE AFFAIRS OF THAT VAST NATION ARE ASSESSING THE MANY CHANGES THAT HAVE TAKEN PLACE IN THE PEOPLE'S REPUBLIC DURING THE PAST TWELVE MONTHS. VOA'S JIM MILLER HAS A BACKGROUND REPORT FROM HONG KONG.

VOICE:

AS THE YEAR OF THE HORSE DESCENDS ON CHINA, CHINA SCHOLARS ARE REVIEWING THE REMARKABLE EVENTS OF THE PAST YEAR AND MAINTAIN THAT MORE SIGNIFICANT CHANGES HAVE TAKEN PLACE IN THE PEOPLE'S REPUBLIC THAN IN ANY OTHER NATION DURING THE SAME PERIOD. THEY AGREE THAT THE TRANSFORMATION HAS ITS ROOTS IN THE PURGE OF THE GANG OF FOUR RADICALS, JUST AS THE CHINESE LEADERSHIP CLAIMS.

DOMESTICALLY, THERE HAS BEEN A RELAXATION OF THE STRINGENT POLICIES OF THE RADICALS THAT GAVE IDEOLOGY AND POLITICS PRECEDENCE OVER ALL OTHER ELEMENTS OF GOVERNMENT AND SOCIETY. THERE IS A NEW CANDOR IN CHINA...ADMISSIONS THAT EVERYTHING IS NOT WELL AND THAT MUCH MUST BE DONE FOR THE NATION TO REALIZE ITS GOAL OF MODERNIZATION BY THE YEAR TWO THOUSAND.

THE REGIME OF CHAIRMAN HUA KUO-FENG, WITH VICE PREMIER TENG HSIAO-PING AS THE PRINCIPAL ARCHITECT, HAS MOVED TO RESTORE THE PRACTICAL APPROACH TO DEVELOPMENT ADVOCATED BY THE LATE PREMIER CHOU EN-LAI. AT THE SAME TIME THERE IS CONTINUED REVERENCE FOR THE LATE PARTY CHAIRMAN MAO TSE-TUNG. BUT SOME OF THE POLICIES HE PROMOTED IN HIS LAST YEARS HAVE UNDERGONE SUBTLE CHANGES.

IN EDUCATION, EXAMINATIONS HAVE BEEN REINSTITUTED TO SELECT THE BEST SCHOLARS TO ENTER UNIVERSITIES AND SPECIAL SCHOOLS FOR GIFTED STUDENTS HAVE BEEN REOPENED. THE GANG OF FOUR HAD ABOLISHED

EXAMINATIONS WITH DISASTROUS CONSEQUENCES, ESPECIALLY IN THE DEVELOPMENT OF SCIENTISTS, TECHNICIANS AND OTHER PROFESSIONALS. AGRICULTURE, THE HEART OF THE NATION'S ECONOMY, IS BACK ON THE ROAD TO MECHANIZATION, AND PRAGMATISM IS THE GUIDING PRINCIPLE.

IN INUDSTRY, THE HUA KUO-FENG ADMINS-TRATION HAS ADMITTED THAT FOREIGN TECHNOLOGY MUST BE IMPORTED WHEN NECESSARY AND THAT CHINA MUST LEARN FROM DEVELOPED COUNTRIES. MORE AND MORE, EXPERTS FROM ADVANCED NATIONS ARE VISITING THE PEOPLE'S REPUBLIC. WORKERS HAVE BEEN GIVEN PAY RAISES FOR THE FIRST TIME IN MANY YEARS. AND THE POLICY OF PAYING A WORKER ACCORDING TO HIS SKILLS AND PRODUCTIVITY IS AGAIN IN FORCE. SOPHISTICATED COMPUTERS HAVE BEEN ORDERED FROM THE OUTSIDE.

IN THE MILITARY, THERE HAS BEEN A RENEWED DRIVE TO MODERNIZE, AND OFFICERS WHO FOLLOWED THE GANG OF FOUR OR WHO ARE RELUCTANT TO ACCEPT THE NEW POLICIES ARE BEING REMOVED FROM THEIR COMMAND. THERE IS INCREASING CONTACT WITH DEVELOPED NATIONS FOR THE PURCHASE OF ARMS AND FOR THE IMPORTATION OF FACTORIES TO PRODUCE MORE AIRCRAFT AND MILITARY MATERIALS IN CHINA.

IN FOREIGN AFFAIRS, THERE ARE THE SAME NEW ATTITUDES THAT CHARACTERIZE THE DOMESTIC PICTURE. CHINA IS EXPANDING ITS CONTACT WITH OTHER COUNTRIES. TENG HSIAO-PING IN RECENT DAYS HAS VISITED BURMA AND NEPAL. HE IS THE FIRST MEMBER OF THE TOP LEADERSHIP TO GO OUTSIDE THE COUNTRY SINCE THE DEATH OF CHAIRMAN MAO IN NINETEEN SEVENTY SIX.

(OPT) CHINA IS ENCOURAGING OVERSEAS CHINESE TO VISIT THEIR RELATIVES ON THE MAINLAND AND URGING ITS CITIZENS TO GO OVERSEAS FOR THE SAME PURPOSE. THE DOORS TO TOURISM IN CHINA ARE OPENING WIDER, AND FOREIGNERS ARE ADVISED OF NEW FACILITIES AND EASIER ACCESS TO CHINESE VISAS. CHINESE TRADE MISSIONS ARE GOING ALL OVER

THE WORLD, AND THE PEOPLE'S REPUBLIC HAS JUST SIGNED ITS FIRST TRADE AGREEMENT WITH THE EUROPEAN COMMON MARKET. (END OPT)

THINGS THAT REMAIN UNCHANGED ON THE FOREIGN SCENE ARE CHINA'S BITTER IDEOLOGICAL BATTLE WITH THE SOVIET UNION, ITS STAUNCH OPPOSITION TO WESTERN DETENTE WITH MOSCOW, AND ITS INSISTENCE THAT THE NORMALIZATION OF RELATIONS WITH AMERICA INVOLVES AN ALMOST COMPLETE U.S. ABANDONMENT OF TAIWAN. BUT, ALL IN ALL, THE EXPERTS AGREE THAT IN THE LAST YEAR, A NEW SORT OF CHINA HAS EMERGED FROM THAT NATION'S BITTER DOMESTIC POWER STRUGGLE.

JS/RCS